AMENDED IN ASSEMBLY DECEMBER 3, 2009

CALIFORNIA LEGISLATURE—2009–10 FIFTH EXTRAORDINARY SESSION

ASSEMBLY BILL

No. 2

Introduced by Assembly Member Coto (Coauthors: Assembly Members Arambula, Fong, Solorio, and Torrico)

October 14, 2009

An act relating to public schools.

LEGISLATIVE COUNSEL'S DIGEST

AB 2, as amended, Coto. Public schools: Race to the Top application. The federal American Recovery and Reinvestment Act of 2009 (ARRA), provides \$4.3 billion for the State Incentive Grant Fund (Race to the Top Fund), which is a competitive grant program designed to encourage and reward states that are implementing specified educational reforms in 4 specified areas: (1) achieving equity in teacher distribution, (2) improving collection and use of data, (3) implementing standards and assessments, and (4) supporting struggling schools. The ARRA requires the a Governor to apply on behalf of a state seeking a Race to the Top grant, and requires the application to include specified information. The federal Secretary of Education has issued proposed regulations for the Race to the Top Fund.

This bill would require the Governor, the Superintendent of Public Instruction, and the President of the State Board of Education to ensure that California's application for a grant under the Race to the Top Fund includes specified provisions, including, among others, a limit on the amount of grant funds that may be used for expenditures that occur at the State Department of Education and county offices of education, and for administrative costs of local educational agencies. The bill would

 $AB 2 \qquad \qquad -2 -$

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require the application to include the 4 core elements identified in the Multiple Pathways approach to school reform, as specified. The bill would require the application to include a revised teacher and administrator compensation schedule as a key strategy in turning around struggling schools beginning in the fall of 2013, as specified participating local educational agencies, no later than January 1, 2011, have their governing bodies approve an alternative performance-based incentive compensation package for certificated staff and school administrators, as specified. The bill would require the application to include provisions for the closure of failing schools, beginning in July-2013 2012, and to include a commitment from the State Department of Education to have proposed a new, transparent process for funding California pupils based on a weighted formula. The bill would require the application to include provisions to redesign statewide tests, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. The Governor, the Superintendent of Public Instruction, and the President of the State Board of Education shall ensure that California's application for a grant under the Race to the Top Fund authorized under the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5) includes all of the following provisions:
 - (a) A provision that no more than 10 percent of the Race to the Top grant funds may be used for expenditures that occur at the State Department of Education or at any of California's county offices of education.
 - (b) A provision that no more than 10 percent of Race to the Top grant funds received by local educational agencies may be used for administrative costs.
 - (c) Provisions for the reduction by one-third or more in the number of outdated, inefficient, or nonproductive compliance issues from the Education Code by the commencement of the 2013–14 school year. Each participating local educational agency, with involvement from its stakeholders, shall submit a list to the department of the least helpful and most counterproductive Education Code sections on or before June 30, 2011. From those

-3- AB 2

lists and its own consideration, the department shall recommend
sections to be deleted from the Education Code, and shall submit
its recommendations to the Legislature on or before December
31, 2011.

(d) Standards and Assessments:

- (1) Elements that promote maximum pupil participation and success in math and science curricula. These elements shall include the four core elements identified in the Multiple Pathways approach to school reform: core knowledge delivered through projects and engaging instructional strategies; standards grounded in real world application as well as academic; field-based authentic situations; and support services including supplemental instruction.
- (2) Provisions for well-defined, rigorous standards for every area of the curriculum and assessment tools that measure pupil mastery of these standards.
- (3) Provisions to redesign current statewide tests so that they do all of the following:
- (A) Include better-described skills and bodies of knowledge that pupils must master.
- (B) Limit the assessed skills and knowledge to a reasonable number so that schools and teachers are not overwhelmed by too many standards and assessment targets.
- (C) Permit schools and teachers to identify whether each skill or body of knowledge has been mastered by individual pupils, and not just cohorts of pupils.
 - (D) Measure pupil growth from a baseline year over time.
- (E) Realign the current overemphasis on reading and mathematics to acknowledge the value of other subjects to pupil learning.
- (F) Update standards regularly to compensate for discrepancies between state standards and other rigorous content standards.
- (e) Data Systems to Support Instruction and Great Teachers and Leaders:
- (1) Revised teacher and administrator compensation schedules as a key strategy in turning around struggling schools beginning in the fall term of the 2013–14 school year, that include an added eategory based on data collected around the achievement and growth of a teacher or administrator's assigned pupils.
- (2) The revised teacher and administrator compensation schedule shall include four levels: (1) beginning/maintenance; (2) enhanced

AB 2 —4—

pupil growth (12.5 percent higher than school average or district average); (3) extraordinary pupil growth (25 percent higher than school or district average); and (4) extraordinary growth professional who volunteers at a low-performing school, defined as a school ranked in either decile 1 or 2 on the Academic Performance Index (API).

- (3) The revised teacher and administrator compensation schedule shall apply to all teachers and administrators whose employment begins on or after July 1, 2010. Individual local educational agencies may opt to use the revised schedule for all teachers and administrators, in which case, the period of assessing pupil growth shall begin with the 2010–11 school year, which shall be the baseline. Growth shall be measured from the baseline school year forward.
- (4) The revised teacher and administrator compensation schedule shall include no less than a 50 percent differential between beginning/maintenance level 1 and volunteer level 4, as those levels are set forth in paragraph (2).
- (5) Pupil growth for purposes of the revised compensation schedule shall be determined by individual local educational agencies using some combination of statewide assessment tools authorized and recognized by the State Department of Education.
- (6) Teachers and administrators may qualify for placement on the revised compensation schedule by demonstrating two successive years of academic growth for pupils assigned to them in the field of learning for which they are assigned. If teacher and administrator rates of pupil academic growth fall below the target growth levels for two successive school years, they will revert to the revised compensation schedule.
- (7) The revised teacher and administrator compensation schedule does not preclude use of longevity and educational attainment as added indicators of compensation.
- (1) Participating local educational agencies shall negotiate with bargaining units and, no later than January 1, 2011, have their governing bodies approve an alternative, performance-based incentive compensation package for certificated staff and school administrators.
- 38 (2) The alternative compensation package shall include at least three of the following:

5 AB 2

(A) Incentives linked to pupil performance for teachers who work at schools with high teacher turnovers and in hard-to-fill subject areas.

- (B) Incentives linked to pupil performance for teachers who agree to transfer to schools in the district that are identified as struggling schools.
- (C) An alternative compensation schedule that is rigorous, transparent, and equitable, and differentiates the effectiveness of teachers and administrators using multiple rating categories that take into account data on pupil growth.
- (D) Incentives for teachers who participate in district-sponsored professional development opportunities and demonstrate mastery of professional development performance standards.
- (E) Salary incentives to departments, grade-level teams, or the staffs of schools showing the most growth in pupil achievement.
- (F) Salary incentives linked to pupil performance for highly qualified teachers who mentor new teachers.
 - (f) Turning Around Struggling Schools:
- (1) Provisions for the closure of failing schools beginning in July—2013 2012. A failing school shall be defined as any school that meets three or more of the following criteria:
 - (A) Failure to achieve an API score of 750 or greater.
- (B) Graduation of fewer than 65 percent of pupils in the graduating class three years in a row.
- (C) A dropout rate exceeding 25 percent 40 percent, using the number of pupils entering grade 9 compared to the number of pupils graduating from high school.
- (D) Fewer than 90 percent of pupils in grade 3 at the school read at grade level.
- (E) Fewer than 90 percent of English learners at the school achieve English fluency within three years.
- (F) Failure to prepare at least 75 percent of pupils to meet the requirements for attendance at four-year California public universities, or failure to increase that percentage by 15 percent annually, or by 20 percent for Latino and African American pupils.
- (2) Schools scheduled for closure in 2013 the fall of 2012 may do any of the following:
- (A) Be reconstituted around a plan for success formulated by staff, pupils, and members of the community served.

-6-

(B) May include "beyond bargaining unit agreement" ability to replace school leaders or staff in order to ensure substantial growth in pupil success and achievement.

- (C) Be reconstituted in the mode of the Multiple Pathways approach to fundamental school reform, including standards-based career technical education offerings.
- (D) Be reconstituted into small schools using research-based criteria for effective small schools.
 - (E) Be reconstituted into community-developed charter schools.
 - (F) Be reassigned to neighboring successful schools.
- (G) Be reconstituted around teams of volunteer teachers from within the school district who develop and submit to the governing board for approval a viable plan for the development of a small school, basing most or all of the plan on research-based knowledge of what constitutes an effective small school.
- (H) Be reconstituted by multidisciplinary teams creating a plan approved by the governing board using research-based knowledge to assist pupils from traditionally underperforming ethnic or language groups to achieve academic success.

(G)

- (I) Utilize a combination of two or more of the alternatives set forth in subparagraphs (A) to $\overline{(F)}$ (H), inclusive.
- (3) Commitment from the State Department of Education to have proposed a new, transparent process for funding California pupils based on a weighted formula. This weighted process shall be rooted in the concept that it costs more to educate some pupils than others, that it costs more to educate pupils at some grade levels than others, and that it costs more to live in some parts of California than others. levels than others. The process shall be planned for implementation as new Proposition 98 funds become available. A local educational agency shall not be asked to receive fewer dollars so that other local educational agencies can receive more.

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